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Review of this document by CIA has

SPECIAL ASSISTANT TO THE SECRETARY OF STATE ined that

CIA has no objection to declass.
It contains information of CIA

February 23, 1269 ified at TS S

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Authority: HR 70-2

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☐ It contains nothing of GIA interest

Date 150481 Reviewer 6514

Dear Allen:

In view of the intense interest at present in the new Soviet economic diplomacy in underdeveloped countries, especially of Asia, we would like to propose that a National Intelligence estimate on this subject be undertaken shortly against an early completion date.

As you know, the President has asked Mr. Dodge to have the Council on Economic Foreign Policy coordinate such policy formulation and action as may be indicated in connection with Soviet initiatives in this field. Mr. Dodge has asked for a review of what the Communists have done up to now, as well as for the regular preparation of periodical (probably fortnightly) reports on current developments.

The Department of State believes, however, that foreign policy decisions in this matter require more than a factual compilation of what the Soviets are, and have been, doing. The significance of their recent actions, we believe, must be evaluated in a far larger context, if reliable inferences are to be drawn as to Soviet intentions and motivations, the probable extent to which these new policies can and will be carried, and the effectiveness they may be expected to have.

Such an appraisal will require an integrated analysis of

(a) Soviet capabilities to supply both capital equipment and
military goods, as well as to absorb raw material and foodstuffs
imports; (b) Soviet strategy in underdeveloped and former colonial
areas; and (c) the vulnerabilities of these areas to Soviet influence through economic relationships. Clearly each one of
these topics requires a blend of political and economic analysis.
It is therefore our opinion that the complexity and variety of the
problem call for a coordinated national estimate.

Will you be good enough to arrange for the IAC to consider this proposal at an early meeting.

Sincerely yours,

/s/

W. PARK ARMSTRONG, Jr.

W. Park Armstrong, Jr.

The Honorable Allen W. Dulles

Director of Central Intelligence
Washington

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